

Message Text

LIMITED OFFICIAL USE

PAGE 01 IZMIR 00186 271603Z

72

ACTION EUR-06

INFO OCT-01 ISO-00 EB-05 RSC-01 DRC-01 /014 W

----- 054201

R 270730Z JUN 74

FM AMCONSUL IZMIR

TO USDOC WASHDC

INFO SECSTATE WASHDC 1208

AMEMBASSY ANKARA

AMCONSUL ADANA

AMCONSUL ISTANBUL

LIMITED OFFICIAL USE IZMIR 186

E.O. 11652 N/A ----TAGS: BDIS, TU

SUBJECT: TRADE COMPLAINT: IZMIR MUNICIPALITY AND
EXPORT CREDIT CORPORATION

REF: (A) IZMIR 023 (NOTAL, (B) IZMIR 033 (NOTAL),
(C) IZMIR A-16 (NOTAL)

1. JUNE 26 POST RECEIVED LETTER DATED JUNE 13
FROM MAYOR OF IZMIR COVERING COPIES OF LETTERS
ALSO DATED JUNE 13 AND SUPPOSEDLY SENT TO 20
AMERICAN MANUFACTURERS OF MUNICIPAL SERVICES
EQUIPMENT (FIRE FIGHTING, SANITATION, AND OTHER
VEHICLES/EQUIPMENT). LETTERS REQUEST CANCELLATION
OF ORDERS RELATED TO CONTRACT BETWEEN IZMIR MUNICI-
PALITY AND EXPORT CREDIT CORPORATION (ECC) OF NEW
YORK FOR PURCHASE OF ITEMS PRODUCED BY ABOVE MFRS.
BASIS FOR CANCELLATION ALLEGED TO BE EXCESSIVELY
HIGH PRICES FOR EQUIPMENT, AS WELL AS IRREGULAR
BIDDING/PURCHASING PROCEDURES FOLLOWED BY PREVIOUS
MAYOR WHO AUTHROIZED PURCHASES.

2. CLAIMS OF EXCESSIVE PRICES APPEAR BASED ON MIS-
UNDERSTANDING OF EFFECTS OF FIVE-YEAR FINANCING
ON TOTAL SUM ACTUALLY PAID AS OPPOSED TO LIST PRICE
OF EQUIPMENT. PURCHASE PRICE ALSO INCREASED OVER
LIST PRICE BY ADDITION OF OPTIONAL ACCESSORIES
ORDERED BY MUNICIPALITY.

3. COMPLAINT HAD BEEN PREVIOUSLY BROUGHT TO
ATTENTION OF POST IN CONNECTION WITH ESTABLISH-
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 IZMIR 00186 271603Z

MENT OF CONTACTS WITH NEW MUNICIPAL GOVERNMENT

ELECTED DEC 73 (SEE REFTELS). ALTHOUGH MUNICIPALITY CURRENTLY UNDERGOING GENUINE FINANCIAL DIFFICULTIES, COMPLAINT APPEARS AT LEAST PARTLY MOTIVATED BY PRESENT MAYOR'S DESIRE TO CREATE POLITICAL CAPITAL BY DISCREDITING PREVIOUS ADMINISTRATION.

4. CONTRACT BETWEEN MUNICIPALITY AND ECC FINANCED BY EX-IM BANK WITH MUNICIPALITY'S PAYMENT GUARANTEED BY GOT MINFINANCE AND STATE-OWNED ILLER BANKASI (PROVINCES BANK). ALLEGATION IN LETTERS THAT VALIDITY OF CONTRACT SHORTLY TO BE TESTED IN COURTS IS QUESTIONABLE, AS THERE APPEAR TO BE NO GROUNDS FOR LEGAL CHALLENGE. FURTHERMORE, LOCAL DISTRIBUTOR WHO ARRANGED DEAL REPORTS THAT 75 PERCENT OF EQUIPMENT HAS ARRIVED AT PORT OF IZMIR AND THAT MAYOR HAS INDICATED WILLINGNESS TO ACCEPT DELIVERY. RECENT NEWSPAPER REPORTS HAVE ALSO INDICATED THAT MAYOR INTENDS TO ACCEPT NEW MUNICIPAL EQUIPMENT.

5. IZMIR MAYOR HAS SENT LETTERS TO FOLLOWING FIRMS: WAYNE MFG CO., POMONA, CALIF; AMERICAN LAFRANCE ENGINEERING EQUIP. CO., CHICAGO, ILL; SNORKEL FIRE EQUIP CO., ST JOSEPH, MO; INGRAM, SAN ANTONIO, TEXAS; CUTLER REPAVING, INC., LAWRENCE, KAN; AVCO FELKER CORP, BRANTFORD, ONTARIO, CANADA; F.E. MEYERS AND BROS, ASHLAND, OHIO; AMERICAN LINCOLN, BOWLING GREEN, OHIO; ROCKWELL INTERNATIONAL, PITTSBURGH, PA; UNIMASCO, INC, GARDENA, CALIF; DAVIS MFG CO, WICHITA KAN; DAVEY COMPRESSOR CO., KENT, OHIO; ROSS AND WHITE, WHEELING, ILL; NATIONAL CRANE CORP, WAVERLY, NEB; MCCABE POWERS BODY CORP, ST. LOUIS, MO; GOMACO, IDA GROVE, IOWA; PAK MOR MFG CO, SAN ANTONIO, TEXAS; SCHRAMM, WEST CHESTER, PA.; BARBER GREENE, AURORA, ILL; HALPRIN SUPPLY CO., LOS ANGELES, CALIF. FLANIGAN

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 27 JUN 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: BoyleJA
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974IZMIR00186
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740170-1104
From: IZMIR
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t1974069/aaaaahhd.tel
Line Count: 97
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: (A) IZMIR 023 (NOTAL), (B) IZMIR 033, (NOTAL)
Review Action: RELEASED, APPROVED
Review Authority: BoyleJA
Review Comment: n/a
Review Content Flags:
Review Date: 02 JUL 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <02 JUL 2002 by kelleyw0>; APPROVED <24 MAR 2003 by BoyleJA>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: TRADE COMPLAINT: IZMIR MUNICIPALITY AND EXPORT CREDIT CORPORATION
TAGS: BDIS, TU
To: COM
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005